

**Sri Lanka & Project No.: EMOP 200239**

**B/R No.:901**

**@ 9 June 2011**

**BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<b><u>ORIGINATOR</u></b>				
Country Office or Regional Bureau on behalf of Country Office	.....	.....	.....	.....
<b><u>CLEARANCE</u></b>				
Project Budget & Programming Officer, RMBP	.....	.....	.....	.....
Chief, RMBP	.....	.....	.....	.....
Chief, ODLT (change in LTSH and/or External Transport)	.....	.....	.....	.....
<b><u>APPROVAL</u></b>				
<input type="checkbox"/> Regional Director	.....	.....	.....	.....

<b>PROJECT</b>	<b>Previous Budget</b>	<b>Revision</b>	<b>New Budget</b>
Food cost <sup>1</sup>	US\$ 6, 843,690	US\$1,418,689	US\$ 8,262,379
External transport <sup>2</sup>	US\$ 139,936	US\$ 32,526	US\$ 172,462
LTSH <sup>3</sup>	US\$ 447,528	US\$ 119,969	US\$ 567,497
ODOC <sup>4</sup>	US\$ 358,974	US\$ 72,542	US\$ 431,516
DSC <sup>5</sup>	US\$ 498,780	US\$ 118,200	US\$ 616,980
ISC (7%) <sup>6</sup>	US\$ 580,223	US\$ 123,335	US\$ 703,558
<b>Total WFP cost (US\$)</b>	<b>US\$ 8,869,131</b>	<b>US\$1,885,261</b>	<b>US\$10,754,392</b>

<b><u>TYPE OF REVISION</u></b>			
<input checked="" type="checkbox"/> Additional commodity	<input checked="" type="checkbox"/> Additional DSC	<input checked="" type="checkbox"/> Additional ODOC	<input checked="" type="checkbox"/> Additional LTSH
<input checked="" type="checkbox"/> Additional external transport	<input checked="" type="checkbox"/> Extension in time		<input type="checkbox"/> Other

**DISTRIBUTION:**

DED & COO, OD	Director, ODX	Chief, ODXP
Deputy COO & Director, ODE	Chief, RMBP	Regional Director
Chief, ODLT	Chief, ODXR	RB Programme Advisor
Country Director	Programme Officer, RMBP	RB Programme Assistant
OD Registry	Programming Assistant, RMBP	RB Chrono
Director, ERD	Liaison Officer, OD @	

<sup>1</sup> Food cost can comprise both commodities and cash/voucher transfers.

<sup>2</sup> The first leg of transport for commodities: from the donor country to the recipient country port, or in cases of regional commodity purchases, from the place of purchase to the recipient country.

<sup>3</sup> Landside, Transport, Storage and Handling - LTSH comprises the actions required to (a) care for and (b) physically deliver the commodities from the completion of external transport through to final distribution.

<sup>4</sup> Other Direct Operational Costs - ODOC include deliverable goods (non-food items), services and training to beneficiaries and/or to implementing partners.

<sup>5</sup> Direct Support Costs - DSC are those costs which are incurred directly in support of projects by a WFP Country Office.

<sup>6</sup> Indirect Support Costs - ISC is a fixed rate resourced from all donor contributions, which is used to cover (non-project) corporate overhead costs, i.e. PSA.

## **NATURE OF THE INCREASE**

- An extension in time of the EMOP for a period for 6 months, covering the period from 1 August 2011 to 31 January 2012. No additional funding or resources are required under this extension.

## **JUSTIFICATION FOR EXTENSION-IN-TIME AND/OR BUDGET INCREASE**

### **Summary of existing project activities**

Sri Lanka started to experience very heavy precipitation in mid-November 2010. The heavy downpour resulted in landslide and widespread flooding in most areas of the island. Unusual rainfall re-intensified in early December 2010 and January 2011, caused serious flooding, affecting more than 1.2 million people in 12 districts and displacing almost half a million of them. An estimated 130,000 hectares of paddy from the main agricultural 'maha' season were destroyed and around 70% of the harvest was lost. 4,500 houses were completely destroyed and 170,000 partially damaged. Overall, the districts affected include Batticaloa, Anuradhapura, Monaragala, Nuwara Eliya, Kandy, Trincomalee, Ratnapura, Matara, Kilinochchi, Polonnaruwa, Mullaitivu and Ampara.

In order to support the Government's relief efforts, WFP initiated a six-month EMOP 200239 that began 01 February 2011, supporting 500,000 people from two Provinces in the five most affected districts– Ampara, Batticaloa, Trincomalee (Eastern Province); Anuradhapura and Polonnaruwa (North Central Province). In consultation with the Government, it was agreed to assist the affected people through the following programme components: General Food Distribution (GFD), Soft Food for Work (SFFW), Food for Assets (FFA) and Mother and Child Health and Nutrition (MCHN). The EMOP was implemented in line with Strategic Objectives 1 (Save lives and protect livelihoods in emergencies), and 2 (Prevent acute hunger and invest in disaster preparedness and mitigation measures).

### **Conclusion and recommendation of the re-assessment (if applicable)**

The Emergency Food Security Assessment (EFSA) that was conducted in April 2011, covering 5 districts, showed that floods had destroyed most of the Maha season rice harvest (accounting for approx 70% of the annual crop production in the affected districts). It is apparent to note that the households affected by the floods were mostly returnees, who were hard hit as they were just in the process of reintegration.

The impact of the floods led to reduced incomes, increased food insecurity, reduced nutritional standards, increased food prices and decreased purchasing power at the household level.

The EFSA also shows that the majority of farmers will have no access to the secondary Yala harvest in September 2011. Therefore, these people will not be able to harvest again until the next Maha harvest in February 2012. It is therefore essential to provide food assistance to this population group throughout the lean season until January 2012.

The FFW/FFA activities could not commence immediately as the planning, design of activities, disbursement of structural funds required collective inputs and lengthy procedures from the relevant stakeholders. Thus the FFW/FFA activities have been shifted from May-July to Aug-Oct with no impact on project gross requirements in 2011.

The mission carried out by the Regional Bureau in June 2011 recommended an extension of the current EMOP until January 2012 in order to assist (i) 60,000 most food insecure people through FFW/FFA activities and (ii) 26,000 children, pregnant women and lactating mothers through MCHN intervention.

## Purpose of extension and/or budget increase (applicable for all projects)

The main reason for the extension in time to the EMOP is to ensure adequate food assistance to the most vulnerable groups affected by the floods until the end of the lean season in January 2012, when the Maha harvest is anticipated.

1. FFA activities at community and HH level will focus on the establishment/improvement of home gardens, rehabilitation and construction of wells, water and sanitation, repairing of houses and rehabilitation of communal and agricultural infrastructures.
2. MCN activities have been undertaken according to the original project plan. As at 31 January 2011, nutritional records of children under five, pregnant women and lactating mothers show high prevalence of MAM (moderately malnourished) and SAM (severely malnourished) across the flood affected areas. Among the five districts, Polonnaruwa district will require continued nutritional support for 26,000 beneficiaries, while the other districts will be supported through the extended MCHN single Development project from August onwards.

	<b>Beneficiaries</b>		
<b>Activity</b>	<b>Present</b>	<b>Increase</b>	<b>Revised</b>
GFD	500,000	0	500,000
SFFW	300,000	0	300,000
FFA	150,000	60,000	210,000
MCHN - Children	30,000	18,500	48,500
MCHN - LMPW	7,500	7,500	15,000
<b>Total</b>			<b>500,000</b>

\* Specify in a footnote the number of beneficiaries who will receive cash and vouchers (if applicable).

## FOOD REQUIREMENTS

3. Outline the additional and total food quantity needed for achieving revised operation/programme/project (a sample table is provided below – *please delete if not applicable*).

<b>TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE</b>			
	<b>Food requirement (mt)</b>		
<b>Activity</b>	<b>Present</b>	<b>Increase</b>	<b>Revised</b>
GFD/SFFW	8,000	0	<b>8,000</b>
FFA	3,600	1,350	<b>4,950</b>
MCHN	350	636	<b>986</b>
<b>Total</b>	<b>11,950</b>	<b>1,986</b>	<b>13,936</b>

4. Describe changes in modalities of food distribution to beneficiaries (if applicable).

No changes will be made in the food distribution modalities during the extension of the project.